

Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

October 25, 2011

Kyle Kimmerle Kimmerle Mining LLC 2056 Plateau Drive Moab, Utah 84532

Subject: Reclamation Surety Required, Kimmerle Mining LLC, Green River #9, S/015/0102, Emery

County, Utah

Dear Mr. Kimmerle:

The referenced Notice of Intent to Commence Small Mining Operations (NOI), received by the Division of Oil, Gas and Mining on September 28, 2011, is complete with the exception of the reclamation bonding requirement and listing company officers. The reclamation surety is determined to be \$14,000.00 for a 3—year escalation. This was determined based on information in the following table:

Small Mining Operation Notices

Project Size (Acres)	Surety 3-year escalation 2011	Comments
1 or less acres	\$7,900	Minimum amount required
Additional acres up to 10 total acres	\$4,700/acre * 1 acre = \$4,700	Partial acreages rounded up (e.g., 1.2 acres = 2 acres)
Portal	\$1,400	
Total		\$14,000.00

Please submit the reclamation surety and reclamation contract within the next 30 days. No mining related disturbance can be created until the surety is received and approved, and you have received written acceptance from this office as well as other applicable agencies.

In Part I of the NOI Section 4 please list the officers of Kimmerle Mining LLC and if the company is a member managed or manager managed.

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The reclamation surety can be submitted in one of several forms, including, an irrevocable letter of credit, a certificate of deposit, cash or a surety bond. Please contact Penny Berry at (801) 538-5291 or by e-mail at bondcoordinator@utah.gov for assistance in completing this requirement.

Please contact me at 801-538-5261 or Wayne Western at 801-538-5263 if you have any questions regarding this letter. In reply please refer to file number S/015/0102.

Sincerely,

Paul B. Baker

Minerals Program Manager

PBB:whw:pb

cc: Chris Conrad. BLM

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